

**ARTISANAL AND SMALL SCALE MINING
OPERATIONS, A TOOL FOR SOCIAL ECONOMIC
DEVELOPMENT**

presented at

**NATIONAL ARTISANAL AND SMALL-SCALE
MINING POLICY SYMPOSIUM**

By
ASM representative

Golden Peacock Hotel - Lilongwe

11th to 12th November 2014

Contents

- Introduction
- Uses of exploited minerals Capacity of ASM sub sector
- Challenges faced by ASMs

Introduction

The Artisanal and small Scale Mining operations are focused on mining of gemstones, rock aggregate, limestone, clay, salt, river and Dambo sands.

Use of heavy mining equipment is limited and normally not allowed.

Some limited blasting occurs to gain access to buried minerals. Lime kilns are used for making lime. Many of these activities are limited to off-farming season, especially when individuals are engaged in farming.

Uses of exploited minerals

Gemstones for jewelry manufacturing and decorations.

Lime stone for making of both industrial and Agriculture lime, and terrazzo production.

Gypsum for chalk making, Plaster of Paris (POP), wallboard making and in surgical and orthopedic casts among other uses.

Rock aggregate, river and dambo sand for construction,

Uses of exploited minerals Cont'd

Kaolinitic clay used as an ingredient for cement production and brick making.

Salt making for household use,

Some of these minerals and products are in exhibition at this symposium and we will all have a chance to appreciate them.

Pictures of unpolished gemstones





Capacity of ASM sub sector

- Artisanal small scale mining operations if carefully nurtured can significantly contribute to poverty alleviation and socio-economic development to the country.
- The benefits arising from the growth of ASM is found mainly in employment and its potential to provide support to rural livelihoods, thereby mitigating the pressures of urban migration.

Capacity Cont'd

The minerals that are exploited in the ASM sub sector can be categorized into three groups of minerals, namely:

- 1) Industrial Minerals**, limestone is extracted and crushed for industrial agriculture, manufacturing and domestic use.
- 2) Precious Stones**, Both precious and semi-precious Gemstones are mined out across the country but with large quantities from the northern region.

Capacity Cont'd

3) Construction Minerals, Thousands of artisanal miners continue to supply aggregate stones within and on the outskirts of urban areas. Ornamental stones and granitic dimension stones are also quarried, but in insignificant volumes. Several hundreds of tones of kaolinitic clays are produced annually and small scale mining of sand and other clay takes place.

Capacity Cont'd

These mineral can be overlooked as they are widely used in the infrastructure development of the country because they are the key raw materials.

This gives an indication that the ASM sub sector has potential to grow and contribute to the development of the country.

Challenges

Although the ASM sector has the potential to contribute to economic development, as ASMs we experience the following challenges;

- Lack of technical capacity in the operations.
- Lack of proper well established markets and supporting marketing skills
- Lack of simple advanced tools relevant to ASM operations

Challenges Cont'd

- Lack of lapidary equipment for value addition
- Insufficient capital to support production
- Difficulties in accessing loans.
- Lack of international exposure where marketing and standards could be learnt and establish business partnerships

Challenges Cont'd

- Time taken to obtain a licenses is inconsistent and unpredictable.
- In many areas, formation of cooperatives and training has not yet been conducted and many miners are operating individually
- Many miners lack basic knowledge of the industry because they begin mining operation as an alternative means of living without being trained

Challenges Cont'd

- Inadequate legislative framework for addressing issues in the ASM sector.
- In conclusion, we believe that only if these challenges could be addressed, then we can achieve a vibrant ASM Sub sector that contributes to social economic development.

Thank you all for your attention

STATUS OF ASM SUB-SECTOR IN MALAWI

presented at

NATIONAL ARTISANAL AND SMALL-SCALE MINING POLICY SYMPOSIUM

Golden Peacock Hotel - Lilongwe

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Contents

- Introduction
- Characteristics ASM operations
- ASM categories of operations
- Organization of ASMs
- Types of minerals extracted in ASM sub sector
- Challenges
- Potential of the sector
- Government Commitment

Introduction

- The government of Malawi recognizes the contribution of ASM Sub sector to the economy. ASMs play an important role in the following;
- Discovery of minerals occurrences;
- Exploitation of small mineral deposits that can not be mined by large operations;
- Creation of employment opportunities;
- Generation of income in the rural areas;
- Contribution to Government revenue.

Characteristics of ASM operations

- Although Artisanal small Scale mining sub sector has potential to significantly contribute to social-economic development, the activities are largely poverty driven;
- The majority of workers in the ASM exploit small deposits in remote rural areas from which it is difficult to get their products to the market;
- Heavy Mining machinery and equipment are not used;
- Operations are labour intensive.

Characteristics ASM operations Cont'd

- Moving and shifting of ore and waste is done manually
- Most products are sold locally and few are exported.
- It is low paying but spread across the country.
- ASM causes significant damage to public health and the environment
- Miners expose themselves to harsh working conditions for minimal income





Characteristics ASM operations Cont'd

- Much of actual economic potential is lost due to rudimentary production, processing and marketing techniques



ASM categories of operations

- ASM activities are in three categories:
 - Mineral Prospecting done under Non Exclusive Prospecting license - entitles the holder of the license to a non-exclusive prospecting right for minerals;
 - Mineral extraction done under Mining Claim license, it entitles the holder to extract the mineral, prospect within the area and sale;
 - Buying and selling done under the Reserved Minerals License, it entitle the holder to buy, hold and sale the gemstones;
 - Mineral Permit - entitles the holder to extract minerals which are traditionally used for construction.

Organisation of ASMs

- There are over 3,000 Artisanal and Small Scale Miners.
- The mode of operation is through cooperatives, associations, clubs and some operate individually.

Types of minerals extracted in ASM sub sector

Miners in the ASM sub sector produce:

- Lime,
- Terrazzo,
- Quarry stone,
- Gemstones,
- Pottery,
- Bricks,
- Clay for cement manufacturing ingredients

Challenges

- Absence of geology literature, information and maps that miners could easily understand;
- Lack of laboratory facilities;
- Miners lack knowledge on best mining methods;
- Absence of local suppliers of mineral processing equipment and machinery suitable for ASMs (rock breaking moving materials and dewatering pits);

Challenges – cont'd

- Lack of mechanization which limit production and result into unstable resource realization and no time to manage rehabilitation of mined out areas;
- Hazardous and unsafe working conditions;
- Illegal trading of gemstones;
- Insufficient knowledge in mineral product marketing.

Potential of the sector

The ASM sub-sector has the potential to contribute significantly towards;

- Social economic development,
- Poverty alleviation, especially in rural areas;
- Reduction of rural-urban migration especially for the unemployed youth;
- Increased contribution towards GDP;
- Contribution to foreign exchange earnings;
- Contribute to infrastructure development since most minerals are industrial.

Government Commitment

The government is committed to support the sub sector by:

- Reviewing the legislative framework to facilitate the transformation of the ASM activities into more organized and modernized mining standards;
- Organizing ASMs into cooperative, associations or groups;
- Providing extension services through training in various aspects of artisanal and small scale mining.

Thank you

NATIONAL ARTISANAL AND SMALL-SCALE MINING POLICY

Ministry of Natural Resources,
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MALAWI

Policy Goal

- i. To contribute to economic growth and poverty reduction in Malawi through sustainable ASM activities

Policy Outcomes

- i. Increased income generation from ASM activities
- ii. Strengthened institutional capacity
- iii. Sustained ASM operations
- iv. Reduced rural-urban Migration

Policy Objectives

- i. To promote entrepreneurship and job creation
- ii. To promote environmentally sustainable mining practices
- iii. To Promote value addition techniques;
- iv. To address gender and social issues associated with ASM
- v. To promote revenue collection
- vi. To build institutional capacity

Approach to National Artisanal and Small-Scale Mining Policy

Extensive consultations with:

- i. artisanal and small scale miners
- ii. traditional leaders
- iii. mining industry,
- iv. government departments,
- v. academic institutions,
- vi. local assemblies and civil society,
- vii. Financial institutions and parastatal organizations,
- viii. donors and bilateral agencies.

Structure of the Document

Policy has linkages with other policies, and international instruments and is presented in four priority areas:

Policies and strategies with linkages to this Policy include

- i. National Environmental Policy of 2004,
- ii. National Land Resources Management Policy of 2000, Gender Policy of 2008,
- iii. Malawi National HIV and AIDS Policy of 2003,
- iv. National Land Policy and National Energy Policy for Malawi, 2003.
- v. Malawi Growth and Development Strategy (MGDS)

Policy Priority Areas

The Artisanal and Small-scale Mining Policy is presented in four priority areas namely;

- i. Mineral Development,
- ii. Investment Climate in the minerals sector,
- iii. Environmental Management
- iv. Socio-economic Issues Governance of the Sector,

Each priority area describes the background and emerging policy issues.

Priority 1) MINERAL DEVELOPMENT

ASM sub-sector has potential to contribution of the discovery of mineral occurrences, mineral production, and creation of employment and household incomes.

a) Legal framework for ASM sub-sector

The mining sector in Malawi is governed by the Mines and Minerals Act of 1981 which does not adequately regulate the ASM sector

Issues

- inadequate legal and regulatory framework designed specifically for artisanal and small Scale mining activities.
- ASMs do not adequate understand the mining laws that govern the sub-sector.
- delays in issuance of mineral permits and rights & short duration of tenure.

Policy Statements

- Government will develop new legislation for ASM subsector which can be easily understood and relevant to the Artisanal and Small scale miners ; and
- Government will streamline and simplify licensing procedures for ASM sub-sector

b) Formation and strengthening of ASM Cooperatives

Working in groups can confer significant advantages to ASM in terms of collective action and political leverage, improved productivity and market access. Organized ASM is also easier to regulate.

Issues

- Absence of ASM cooperatives in some areas and few and weak cooperatives in others.
- Lack of coordination among exiting groups and other stakeholders in the subsector.
- Lack of group training programs in areas best mining practices , mineral value addition and business management skills.

Policy Statements

The policy will facilitate the formation and strengthening of ASM cooperatives.

c) Research and Technical Assistance

Technical assistance and training is required for Artisanal and small-scale miners in the broad spectrum of mineral-related activities such as identification and mining of mineral deposits.

Issues

- Lack of available channels to access technologies in; technical skills for prospecting and mining, processing equipment,
- inadequate research in mineral processing for ASMs,
- inadequate access to information and technology by artisanal and small scale miners

Policy Statements

- The policy will facilitate provision of technical training and other forms of assistance on sustainable development of ASM in order to ensure optimal exploitation of mineral resources
- Government will coordinate and promote demand-driven mineral research and dissemination of results to relevant stakeholders ;and
- Government will facilitate creation of an enabling environment for easy access to, information and technology; and plant and equipment for mining and value-addition for ASM

d) ASM Mineral Value Addition in Malawi

Extracted raw minerals have been consumed locally or exported to with minimal or no value addition

Issues.

- inadequate skills in mineral identification and value-addition techniques.
- inadequate support infrastructure in the sub-sector such as fully equipped laboratories, power, water and transport infrastructure

Policy Statements

- The policy will promote provision of training to ASM in downstream processing of minerals; and
- Government will facilitate provision of support infrastructure in the subsector

e) Formal Mineral Marketing Systems

ASMs face problems in securing stable markets for their mineral products.

Issues

lack of institutions to facilitate mineral marketing, local mineral pricing systems, strategies or incentives to discourage illegal mineral trading, under-declaration of mineral product values and inadequate marketing centres.

Policy statements

- Government will facilitate establishment of mineral marketing centres;
- Government will put in place mechanisms to monitor the whole marketing chain for mineral sales;
- The policy will promote the growth of both competitive local and export mineral markets for ASM products; and
- Government will promote and facilitate participation of artisanal and small scale miners in Exhibitions, Trade Fairs and through foreign missions

f) Coexistence between Small and Large-scale Mining operators

The relationship between large and small-scale miners is very important to the development of the mineral sector.

Issues

lack of Collaboration between ASM and large-scale mining operators.

Policy Statement:

- Government shall facilitate the creation of an enabling environment that will support and encourage co-existence of both ASM and large scale mining operations.

Priority 2) INVESTMENT CLIMATE IN ASM SUB-SECTOR

Current investment climate is conducive for the ASM sub-sector. The climate is characterized by lack of access to credit facilities and an incompatible tax regime.

a) ASM Royalty and Fiscal Regime

The ASM Sub-sector has the potential to contribute to Government revenue through royalties and taxes if well organized and formalized.

Issues

- absence of tax holidays, tax subsidies and higher royalty rate compared to their large scale miner counterparts.
- revenue loss through illegal exports of the mined products.

Policy statement

Government will review royalty rates and develop appropriate fiscal and taxation regime for the ASM subsector

b) Access to Financial and Credit Schemes

Access to financial services by the ASM is the major challenge for purposes of mine development and production

Issues

- difficult to obtain initial financial capital assistance for the development of their operation
- lack of collateral,
- inability of miners to access loans due to high interest rates; and
- inadequate information for risk analysis by creditors

Policy Statements

- The policy will promote and facilitate access to finance by linking ASMs to financial institutions and organizing them into cooperatives; and
- Government will endeavour to lobby with lending institutions to have lower interest rates for the ASM subsector;

Priority 3) ENVIRONMENTAL MANAGEMENT, OCCUPATIONAL SAFETY AND HEALTH

Environmental Management, Occupational Safety and Health issues are very important for the achievement of sustainable and friendly mining

a) Environmental Management

ASM operations impact negatively on the environment.

Issues

- lack of appropriate knowledge in environmental management.
- inadequate monitoring and enforcement of mining environmental standards in the sector

Policy Statement

- The Policy will support the provision of training in environmental management; and
- Government will facilitate monitoring and enforcement of compliance of mining environmental standards in ASM

b) Occupational Safety and Health

Inadequate enforcement of safety and health standards result into serious and persistent occupational health and safety related problems.

Issues

- knowledge, awareness and training in OSH are rarely disseminated and enforced.
- inadequate specific legislation addressing issues on health and safety in the ASM subsector

Policy Statements

- Government will facilitate provision of training in OSH standards to both inspectors and ASMs; and
- Government will set up mechanisms for routine monitoring and inspection of ASM operations

c) Mine Closure and Rehabilitation

Upon completion of mineral extraction rehabilitation of mined out areas is required to restoring the environment as close to its original state.

Issue

ASM operators do not implement necessary rehabilitation measures on mine closure and mining sites are left without rehabilitation.

Policy Statement

- Government will enforce proper decommissioning and rehabilitation of mined out areas

SOCIAL ISSUES

ASM operations have the potential to affect lifestyle and the social matrix of communities within and away from the mine sites

Issues:

- Inadequate empowerment of local people;
- difficulties in accessing financial, technical and legal support;
- Impact of HIV and AIDS;
- Gender issues;
- Child labour;
- Diseases and disruption of families and social structures;
- unfair cultural traditions that limit independence and mobility of women

Policy Statements:

- The policy will encourage equal participation in the ASM sub-sector
- Government will enforce regulations against child labour and abuse;
- The policy will facilitate sensitisation and awareness campaigns about child labour issues: and
- Government will provide more educational infrastructure in remote areas where ASM activities take place
- The policy will facilitate HIV and AIDS awareness campaigns
- Government will facilitate training in HIV and AIDS

Implementation Arrangements with different Institutions

- Various relevant ministries, key sector agencies and institutions will play a role in the implementation of this policy. These include;
- Ministry of Natural Resources Energy and Mining (MNREM), Malawi Investment and Trade Center (MITC), Training Institutions, Ministry of Labor, Environmental Affairs Department (EAD), Ministry of Gender, Financial Institutions, Ministry of Justice, Department of Nutrition and HIV and AIDS and Ministry of Trade among others.

International Instruments

- The Policy takes into account key agreements and protocols including the Southern African Development Community (SADC) Protocol on Mining of 1992 which calls for Member States to promote policies that will develop and assist small-scale mining in the Region.
- The policy also supports the Africa Mining Vision which was adopted in 2009. It aims at integrating mining much better into development policies at local, national and regional levels.

IMPLEMENTATION PLAN

The implementation plan is designed to ensure that the policy statements are implemented and the overall goals and objectives are achieved over time as indicated below;

- Review of the Mines and Minerals Act 2014-2015
- Modernize the licensing system 2014-2016
- Formalise and register all ASM cooperatives 2014 - 2019
- Facilitate provision of Technical training & other forms of assistance to ASM 2014 - 2019
- Coordinate and promote demand driven research 2019
- Facilitate access to modern mining and processing equipment by ASM 2014-2019

Implementation plan Cont'

- Expose the Artisanal and Small scale miners to world standard mineral processing, markets and marketing techniques 2015- 2019
- Minimize losses in revenue from ASM mineral sales 2014-2019
- Curb illegal trading 2019
- Minimize conflict between ASM and Large scale Mining operations 2014-2019
- Develop appropriate fiscal and taxation regime 2014-2019

- Increase capacity in value addition in the ASM subsector **2014-2018**
- Facilitate provision of support infrastructure for value addition 2014-2016
- Establish a facilitating institution on mineral marketing 2014-2017
- Promote competitive marketing of ASM products 2014-2017

Implementation plan Cont'

- Enable ASM have access to finance 2014-2019
- Ensure that ASM have necessary entrepreneurial skill 2014-2019
- Ensure the availability of finances for buying equipment and other inputs 2014-2019

- Ensure there is knowledge and application of the appropriate environmental standards in the sub-sector 2014-2016
- Ensure ASM comply with environmental standards and environmental damage is avoided 2014-2016

- Ensure ASM and government officers are well aware of occupational safety and health standards applicable in the sector 2014-2016

Implementation plan Cont'

- Ensure ASM comply with mine operation standards and best practices 2014-2016
- Reduce environmental damage after mine decommission 2014-2016
- Promote equal participation in ASM activities by both men and women 2014-2019
- Eliminate child labour in the ASM subsector 2014-2019
- Ensure ASM communities are aware about child labour issues 2014-2019
- Encourage child attendance in school in ASM communities 2014-2019
- Reduce the spread of HIV/AIDS in ASM communities 2014-2016
- Equip people around ASM communities with relevant knowledge about the epidemic 2014-2015

THANK YOU



REPUBLIC OF MALAWI

DRAFT

NATIONAL ARTISANAL AND SMALL SCALE MINING POLICY

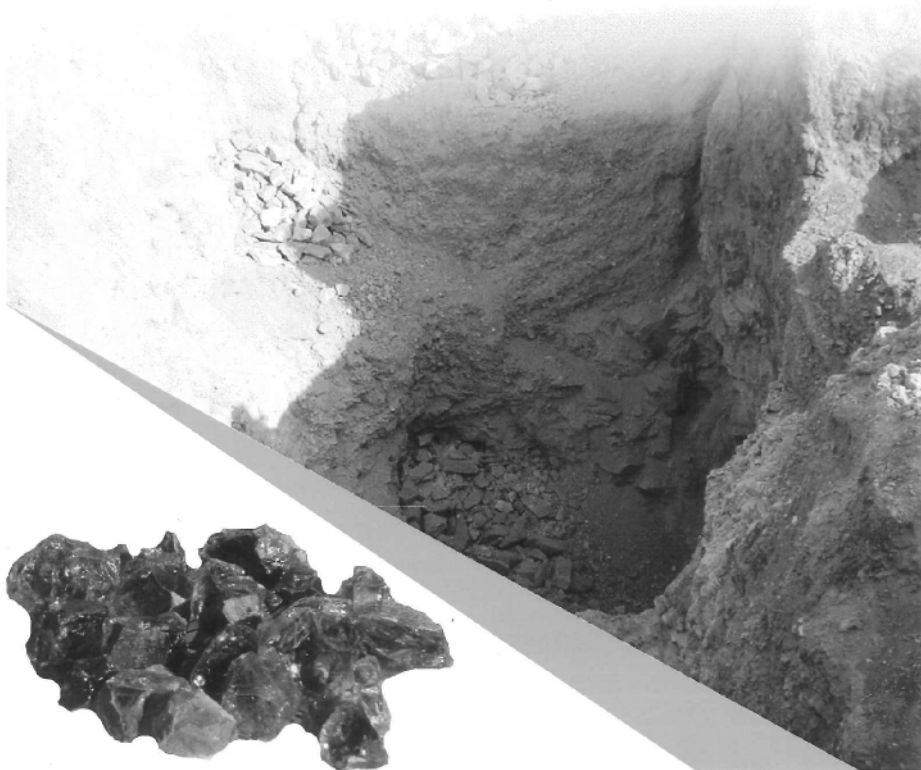


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FOREWORD

The Government of Malawi recognizes the contribution of Artisanal and Small-scale Mining (ASM) sub-sector to the economy which includes the discovery of mineral occurrences, mineral production, creation of employment, generation of income in the rural communities, providing alternative economic activities and reducing rural-urban migration.

Currently, ASM is a poverty driven activity dominated by a large number of people engaged in informal mining activities, bringing with it loss of revenue, social and environmental problems. In view of this, the Government has developed this policy in order to address these challenges faced by the sub-sector.

Government is committed to support the sub-sector by facilitating the transformation of the ASM activities into more organized and modernized mining operations, and further promote modalities of mineral marketing which encourage transparent business transactions and discourage smuggling.

The implementation of this policy will be done in line with the Malawi Growth and Development Strategy II (MGDS), which seeks to promote the participation of Artisanal and Small Scale Miners in mineral development. Furthermore, one of the priority themes in the MGDS is on the sustainable economic growth as a key to poverty reduction and improvements in the livelihoods which is also one of the focal points of this policy.

The Government has, therefore, developed this Policy to guide and stimulate ASM by administering, regulating and facilitating the growth of the sub-sector.

Atupele A. Muluzi, MP
MINISTER OF NATURAL RESOURCES, ENERGY AND MINING

PREFACE

The Government of Malawi recognizes that the Artisanal and Small-Scale mining sub-sector has a significant potential to contribute towards the rapid economic growth and development of the country through rural job creation and providing alternative economic activities.

However, there are several challenges that exist in the sub-sector and need to be addressed. These include;

1. Limited access to:
 - a. Modern technologies
 - b. capital for investment in mining and mineral value addition
 - c. established markets
2. Inadequate marketing skills
3. Informal mining operations
4. inability to understand geological information and
5. Disregard to basic mining occupational health, safety and environmental considerations.

In view of this, Government has taken steps to address these challenges through the formulation of this Artisanal and Small Scale Mining Policy.

The Policy was formulated through consultations with stakeholders ranging from Artisanal and Small Scale miners, traditional authorities, Government Departments, parastatals, academic institutions, donors, financial institutions, civil societies, exploration and mining companies through workshops and meetings. Therefore, this document represents aspirations of individuals, private entities and the public sector. The Policy also benefited from consultations of Mining Policies in other countries, notably South Africa, Namibia, Ghana, Zambia, Burkina Faso, Tanzania, Bolivia and India.

The Policy seeks to stimulate and guide ASM by administering, regulating and facilitating the growth of the sub-sector through a well-organized and efficient institutional framework. The Government will intensify provision of technical extension services to the Artisanal and Small Scale miners.

This policy is in line with Southern Africa Development Community (SADC) Protocol on Mining of 1997 – Article seven, African Mining vision and New Partnership for Africa's Development (NEPAD) initiative for mining.

Finally, I wish to express my gratitude to all those who contributed to the development of this Policy in various ways. It is my hope that the Policy will provide a clear guidance towards sound exploitation of our mineral resources.

Ben Botolo
SECRETARY FOR NATURAL RESOURCES, ENERGY AND MINING

ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
ASM	Artisanal and Small-scale Mining
DOM	Department of Mines
EAD	Environmental Affairs Department
ECAMA	Economic Association of Malawi
EMP	Environmental Management Plan
GDP	Gross Domestic Product
GSD	Geological Survey Department
HIV	Human Immunodeficiency Virus
ILO	International Labour Organisation
LSM	Large Scale Mining
MCTU	Malawi Congress of Trade Union
MEDI	Malawi Entrepreneurial Development Institute
MGDS	Malawi Growth Development Strategy
MITC	Malawi Investment and Trade Center
NAC	National AIDS Commission
NEPAD	New Partnership for Africa's Development
OSHE	Occupational Safety, Health and Environment
OVOP	One village one product
PLWA	People Living with HIV and AIDS
RBM	Reserve Bank of Malawi
SADC	Southern African Development Community

Glossary

Artisanal and Small-scale Mining: Mining activities practiced by individuals, groups or communities with minimal or no mechanization and rely heavily on manual labour.

Decommissioning: Permanently ending the mining operations and returning the mine site to as close to original condition as possible

Downstream processing: Production process that involves converting the raw materials into finished products.

Fiscal regime: System of taxation

Large Scale Mining: Mining activities with use of substantial capital, heavy machinery, technology and larger workforce.

Royalty: Payment of mineral right for the privilege of mineral extraction from the ground

Value addition: Transformation of a raw material produced by means of mining and extraction process to a more finished product, which has a higher export sales value

CHAPTER ONE

1.0 INTRODUCTION

Malawi is host to vast mineral resources, a lot of which are extracted on the basis of Artisanal and Small scale Mining (ASM) like gemstones, coal, construction materials, dimension stones, gold and some of the industrial minerals such as clays, limestone, gypsum, salt and talc. In Malawi, ASM is a poverty driven activity dominated by a large number of people engaged in informal activities, bringing with it serious social and environmental problems and loss of revenue. A considerable percentage of those employed in the ASM sub-sector are women and children. There is no baseline information available that has determined the actual number of ASM operators active in various parts of the country, what minerals they are mining, the extraction and processing methods being used.

Malawi Government is committed to the promotion and protection of all ASM operators through effective regulations and facilitation that support prospecting, exploration, mining, quarrying, processing, and sale of minerals within and outside of Malawi.

The subsector has significant potential to contribute to socio-economic development of the Country. Such contributions include the decisive role it can play in poverty alleviation, especially in rural areas, reducing rural-urban migration especially for the unemployed youth, maintaining the vital link between people and the land, creating alternative economic activities and contributing to National income.

Much of the actual economic potential of ASM operations are lost due to rudimentary prospecting, extraction, processing and marketing techniques. In the SADC region, mining is the only known economic alternative to agriculture and figures for those working within the sector jump dramatically during the recurrent droughts in the region.

The role of the State is to facilitate and regulate the mineral exploration, mining, and mineral processing activities by investors and entrepreneurs, and initiate provision of infrastructure. Malawi Government has therefore, developed this policy in a bid to guide and regulate the activities of ASM operations. The Policy document includes a discussion of appropriate frameworks for investment in the subsector, particularly the nature of investments in mining; the enhancement of institutional, administrative and operational capacity and governance issues in this field.

Linkages with other Policies

The Policy is in line with the Malawi Growth and Development Strategy (MGDS) which indicates that the contribution of the mining sector to the GDP is expected to increase significantly by 2020. One of the medium term expected outcomes of the MGDS is increased participation by small and medium scale miners. The Government recognizes that to achieve this outcome, it has to formalize the ASM subsector.

Other key policies and strategies with linkages to this Policy include the Mines and Minerals Policy of 2013, National Environmental Policy of 2004, National Land Resources Management Policy of 2000, Gender Policy of 2008, Malawi National HIV and AIDS Policy of 2003, National Land Policy and National Energy Policy for Malawi, 2003. Below is an outline of the main focus of each Policy.

The Mines and Minerals Policy

The Mines and Minerals Policy of 2013 seeks to promote artisanal and small scale mining which will in turn expand employment opportunities in Malawi. This will contribute to socio-economic development of the country including poverty reduction and sustainable development. The Mines and Minerals policy also seeks to promote the development of the

National Environmental Policy

While the National ASM Policy seeks to foster better mining practices that are environmental friendly, the National Environmental Policy of 2004 calls for development of mechanisms for cross sector management; facilitating active participation of local communities and other stakeholders in enforcement of legislation; and integration of environmental planning, management and institutional frameworks into the decentralized structure. In the National ASM Policy there is a call for proper monitoring and enforcement of compliance of mining environmental standards.

National Land Resources Management Policy

The National ASM Policy, while ensuring that operators benefit from small scale mining activities, it emphasizes on proper management of the land resources and proper rehabilitation of mined out areas so that the land can be put to other uses after mine closure. On the other hand, the National Land Resources Management Policy of 2000 aims to promote the efficient and diversified and sustainable use of land resources both for agriculture and other uses in order to avoid sectoral land use conflicts and ensure sustainable socio-economic development.

Gender Policy

The National ASM Policy recognizes that gender issues affect both men and women. However, women face more challenges than men. Some of the challenges include; difficulties in accessing financial, technical and legal support, ill socio-economic perceptions about their status; and unfair cultural traditions that impose a heavy family burden and limit their independence and mobility. In this regard the ASM policy will encourage equal participation in the ASM sub-sector. This cause is in line with the Gender Policy of 2008 which seeks to mainstream gender in the national development process in order to enhance participation of women and men, girls and boys for sustainable and equitable development.

Malawi National HIV and AIDS Policy

The National ASM policy recognizes that in the ASM subsector there is continued spread of the epidemic, inadequate awareness of HIV and AIDS as well as stigma and discrimination against people living with HIV and AIDS, and the policy proposes mechanisms to facilitate HIV and AIDS awareness campaigns as well as trainings on the same. The strides by the policy supports the goal of the National HIV and AIDS Policy of 2003 which is to prevent the further spread of HIV infection and mitigate the impact of HIV and AIDS on the socioeconomic status of individuals, families, communities and the nation. The National HIV and AIDS policy purports that this will be achieved through improving the provision and delivery of prevention, treatment, care and support services for people living with HIV and AIDS (PLWAs), creating an enabling environment to reduce individual and societal vulnerability to HIV and AIDS and through strengthening the multi-sectoral and multi-disciplinary institutional framework for coordination and implementation of HIV and AIDS programmes in the country.

National Land Policy of 2002

While the National ASM Policy encourages environmentally friendly practices in exploiting mineral resources, the National Land Policy stipulates that it will thus promote community participation and public awareness at all levels to ensure environmentally sustainable land use practices, and good land stewardship. The National Land Policy of 2002 also seeks to ensure tenure security and equitable access to land, to facilitate the realization of social harmony and broad based social and economic development through optimum and ecologically balanced use of land and land based resources.

Child Labour National Action Plan for Malawi 2009 – 2016

The National ASM policy recognizes that Artisanal and Small scale miners prefer

employing children as they do not have a bargaining power for wages and also that the presence of children in the mining sites has negative effects on their health and education. Through the ASM policy, the government will enforce regulations and laws against child labour and abuse. The ASM policy will also facilitate sensitisation and awareness campaigns about child labour issues. The efforts by the ASM policy collaborates with the National Action Plan on Child Labour 2009-2016 which is intended to guide well coordinated and concerted efforts in the fight against child labour. Child labour which is any activity that employs a child below the age of 17 and prevents him or her from attending school or concentrating on school, or negatively impacts on the health, social, cultural, psychological, moral, religious and related dimensions of the child's upbringing has received a lot of condemnation. There are efforts to curb child labour in different spheres and the action plan provides a coherent framework and sense of direction for the various actors in curbing the vice.

National Energy Policy for Malawi, 2003

The National ASM policy recognizes that Artisanal and small scale mining in Malawi has been focusing on the extraction of raw minerals that are consumed locally or exported to other countries with minimal or no value addition. Lack of value addition is depriving Malawi of much needed employment, foreign exchange earnings and revenue. The government through the policy will facilitate provision of support infrastructure, such as electricity in mining areas in the subsector to enhance downstream processing of mined minerals. This also is in tandem with National Energy Policy for Malawi, 2003 which seeks to make the energy sector sufficiently robust and efficient to support Government of Malawi's socio-economic agenda of poverty reduction, sustainable economic development, and enhanced labour productivity.

International Instruments

At international level, Malawi is signatory to several agreements and protocols. The Policy takes into account these key agreements and protocols. These include; the Southern African Development Community (SADC) Protocol on Mining of 1992; The Africa Mining Vision and International Labour Organisation (ILO) Minimum Age for Employment Convention. The SADC Protocol on Mining of 1992 calls for Member States to promote policies that will encourage and assist small-scale mining in the Region and facilitate the development of small-scale mining. Among others, the protocol calls for countries to provide technical extension services, establishment of marketing facilities, including, exhibitions and establishment of mineral exchanges. The protocol stipulates that member countries shall also encourage the provision of training, institutional and financial support for the small-scale mining sector in the Region.

The policy also supports the Africa Mining Vision which was adopted in 2009. It is Africa's own response to tackling the paradox of great mineral wealth existing side by side with pervasive poverty. It aims at integrating mining much better into development policies at local, national and regional levels. The Policy furthermore supports Malawi's obligation related to the ILO Minimum Age for Employment Convention No. 138 of 1973.

CHAPTER TWO

2.0 BROAD POLICY DIRECTIONS

2.1 Policy Goal

The goal of this Policy is to contribute to economic growth and poverty reduction in Malawi through sustainable ASM activities.

2.2 Policy Outcomes

- i. Increased income generation from ASM activities
- ii. Strengthened institutional capacity
- iii. Sustained ASM operations
- iv. Reduced rural-urban Migration

2.3 Policy Objectives

The main objectives of Artisanal and Small-Scale Mining Policy are as follows:

- (i) To promote entrepreneurship and job creation
- (ii) To promote environmentally sustainable mining practices
- (iii) To Promote value addition techniques;
- (iv) To address gender and social issues associated with ASM
- (v) To promote revenue collection
- (vi) To build institutional capacity

CHAPTER THREE

3.0 POLICY PRIORITY AREAS

The Artisanal and Small-scale Mining Policy is presented in four priority areas namely:

- Mineral Development,
- Investment Climate in the minerals sector,
- Environmental Management
- Socio-economic Issues.

Each priority area describes the background and emerging policy issues. The corresponding policy strategies, implementation plan and monitoring and evaluation strategy are presented separately.

3.1 Mineral Development in ASM Sub-Sector

3.1.1 Background

Malawi has a variety of known mineral resources, some of which are being exploited by the Artisanal and Small scale Mining (ASM). ASM activities are concentrated on mining gemstones and some of the industrial minerals which include limestone, granites, kaolinitic clays, salt, and river and dambo sand.

The Government of Malawi recognizes the potential contribution of ASM sub-sector to the discovery of mineral occurrences, mineral production, and creation of employment and household incomes. In view of this, the Government is committed to support the ASM sub-sector by facilitating the transformation of the present ASM activities. An organized and modernized ASM will promote modalities of mineral development and marketing which further encourages transparent business transactions and discourage smuggling.

3.1.2 Legal framework for ASM sub-sector

The mining sector in Malawi is governed by the Mines and Minerals Act of 1981 which does not adequately regulate the ASM sector.

3.1.2.1 Issues

There are several challenges faced by ASM to operate within the legal framework. Thus, there is inadequate legal and regulatory framework designed specifically for artisanal and small scale mining activities. The legal challenge coupled with illiteracy levels of most ASM operators has caused operators to have inadequate understanding of the mining laws that govern the sub-sector.

ASM operators are also burdened with delays in issuance of mineral permits and rights and duration of tenure is usually short with no guarantee for renewal. Short duration of tenure is unattractive to prospectors, investors and financiers.

Policy Statements

Government will develop new legislation for ASM subsector which can be easily understood and relevant to the Artisanal and Small scale miners; and Government will streamline and simplify licensing procedures for ASM sub-sector.

3.1.3 Formation and strengthening of ASM Cooperatives

The grouping of ASM into organizations is seen as a way of establishing and defending ASM rights. It is a way of accessing supplies through collective purchase, and to access materials or resources which may be restricted for individuals. The Artisanal and Small-scale miners see organization as a means of creating better trading conditions and maturity; this encompasses certification and access to international markets. Working in groups can confer significant advantages to ASM in terms of

collective action and political leverage, improved productivity and market access. Organized ASM is also easier to regulate.

3.1.3.1 Issues

Despite the ASM operators being active in mobilizing and conducting activities aimed at benefiting them and the industry as a whole, there has been inexistence of ASM cooperatives in some areas and few and weak cooperatives in others. There has also been a lack of coordination among themselves and other stakeholders in the subsector. As a result of this shortfall in the subsector, the miners do not coordinate properly and organizing training programs for them in various areas including mining, mineral value addition and business management skills becomes difficult.

Policy Statement:

The policy will facilitate the formation and strengthening of ASM cooperatives.

3.1.4 Research and Technical Assistance

Artisanal and small-scale miners require information on the availability of mineral rights and mineral deposits. Currently the ASM sub-sector is also characterized by use of archaic tools which result in low production.

Technical assistance and training is therefore required for Artisanal and small-scale miners in the broad spectrum of mineral-related activities such as identification and mining of mineral deposits.

3.1.4.1 Issues

Technological issues are among the constraints that limit small-scale mining from attaining its full potential. These issues emerge as the sector lacks availability of channels for access to technologies in; technical skills for prospecting and mining, modern mining and processing equipment, inadequate research in mineral processing, specialized technical training programs for artisanal and small scale miners and inadequate access to information and technology by artisanal and small scale miners

Policy Statements:

The policy will facilitate provision of technical training and other forms of assistance on sustainable development of ASM in order to ensure optimal exploitation of mineral resources:

Government will coordinate and promote demand-driven mineral research and dissemination of results to relevant stakeholders; and

Government will facilitate creation of an enabling environment for easy access to, information and technology; and plant and equipment for mining and value-addition for ASM

3.1.5 ASM Mineral Value Addition in Malawi

Artisanal and small scale mining in Malawi has been focusing on the extraction of raw minerals that are consumed locally or exported to other countries with minimal or no value addition. Lack of value addition is depriving Malawi of much needed employment, foreign exchange earnings and revenue.

3.1.5.1 Issues

There are inadequate skills in mineral identification and value-addition techniques.

techniques. The deficit of these skills has plagued the subsector.

Underperformance in mineral identification and value-addition has also been due to inadequate support infrastructure in the sub-sector such as fully equipped laboratories, power, water and transport infrastructure.

Policy Statements:

The policy will promote provision of training to ASM in downstream processing of minerals; and Government will facilitate provision of support infrastructure in the subsector

3.1.6 Formal Mineral Marketing Systems

Artisanal and small-scale miners face problems in securing markets for their mineral products.

3.1.6.1 Issues

The ASM sector faces challenges in promotion of mineral marketing arrangements that are receptive to the need of the subsector. The subsector faces this problem because it has been hampered with lack of; institutions to facilitate mineral marketing in the country, local mineral pricing systems, strategies or incentives to discourage illegal mineral trading, under-declaration of mineral product values and inadequate marketing centres located strategically in the major mining areas.

Policy Statements:

Government will facilitate establishment of mineral marketing centres;

Government will put in place mechanisms to monitor the whole marketing chain for mineral sales;

The policy will promote the growth of both competitive local and export mineral markets for ASM products; and

Government will promote and facilitate participation of artisanal and small scale miners in Exhibitions, Trade Fairs and through foreign missions.

3.1.7 Coexistence between Small and Large-scale Mining operators

The relationship between large and small-scale miners is usually of a suspicious nature, to the detriment of both groups. Large Scale Miners (LSM) and ASM often compete to exploit the same mineral resources. Large-scale operators regard small-scale mining as being synonymous with illegal mining and small-scale miners accuse large companies of denying them access to potential mineral resources by tying up large tracts of land. Large companies also accuse ASM operators on trespassing into concessions acquired by companies.

3.1.7.1 Issues

The key issues on relationship with Large-Scale Mining companies are due to lack of collaboration between ASM and large-scale mining operators and encroachment of mineral licensed areas by either parties. These issues often lead to confrontations.

Policy Statement:

Government shall continue creating an enabling environment that will support and encourage co-existence of both ASM and large scale mining operations.

3.2 Investment climate in ASM sub-sector

3.2.1 Background

Currently the investment climate is not suitable for the ASM sub-sector in Malawi. The climate is characterised by lack of access to credit facilities and an incompatible tax regime.

3.2.2 ASM Royalty and Fiscal Regime

The ASM Sub-sector has the potential to contribute to Government revenue through royalties and taxes if well organized and formalized. At the moment the sub-sector is making a dismal contribution to the government revenue because most of the Artisanal and Small scale miners are either operating illegally or export their mine products in raw form.

The current legislation requires that the Artisanal and Small scale miners pay between 5 and 10 % of the value of their mine products as royalty. This is too high to motivate them to declare the value of their mine products for the purposes of royalty. Similarly, the artisanal and small scale miners are subjected to the same tax regimes as the large scale operators who get better market deals and returns.

3.2.2.1 Issues

Some of the challenges faced by ASM in royalty and fiscal regime include lack of consideration to address special challenges, such as lack of incentives to promote production, absence of tax holidays and tax subsidies and higher royalty rate, the miners encounter compared to their large scale miner counterparts. The subsector is a conduit of Government revenue loss through illegal exports of the mined products.

Policy Statements

Government will review royalty rates and develop appropriate fiscal and taxation regime for the ASM subsector;

3.2.3 Access to Financial and Credit Schemes

Access to financial services by the ASM is the major challenge for purposes of mine development and production. This is as a result of the artisanal and small scale miners' failure to fulfill the requirements of the credit institutions. Limited financing has resulted in low productivity and revenues.

3.2.3.1 Issues

ASM operators face challenges in dealing with formal financing. It is difficult to obtain initial financial capital assistance for the development of their operation. These challenges are brought about because there are factors that make ASM operators unattractive to money lending institutions. These constraints include lack of collateral, inability of miners to access loans due to high interest rates and inadequate information for risk analysis by creditors.

Policy Statements

The policy will promote and facilitate access to finance by linking ASMs to financial institutions and organizing them into cooperatives; and

Government will endeavour to lobby with lending institutions to have lower interest rates for the ASM subsector;

3.4 Environmental Management, Occupational Safety and Health

3.4.1 Environmental Management

Most of the ASM operations impact negatively on the environment during exploration, exploitation, processing and closure.

3.4.1.1 Issues

ASM operators lack appropriate knowledge and training in mining and environmental management which makes their operations environmentally unfriendly. On the other hand, there is inadequate monitoring and enforcement of mining environmental standards in the sector.

Policy Statements

The Policy will support the provision of training in environmental management; and Government will facilitate monitoring and enforcement of compliance of mining environmental standards in ASM.

3.4.2 Occupational Safety and Health

The enforcement of and adherence to safety and health standards in ASM operations is important. In the absence of enforced ASM regulations, it has proved difficult to regulate the sector resulting into serious and persistent occupational health and safety related problems.

3.4.2.1 Issues

A critical issue in ASM is inadequate adherence to OSH Standards. Knowledge, awareness and training in OSH are rarely disseminated and even more rarely enforced. Furthermore, inadequate specific legislation addressing issues on health and safety in the ASM subsector coupled with inadequate capacity to inspect and enforce occupational safety and health issues effectively lead to negligence in the use of safety equipment.

Policy Statements:

Government will facilitate provision of training in OSH standards to both inspectors and artisanal and small scale miners; and

Government will set up mechanisms for routine monitoring and inspection of ASM operations.

3.4.3 Mine Closure and Rehabilitation

Upon completion of mineral extraction, ASM operators are required to rehabilitate their mined out areas. This rehabilitation is aimed at restoring the environment as close to its original state.

3.4.3.1 Issues

ASM operators do not implement necessary rehabilitation measures on mine closure. Most ASM sites are left without rehabilitation. This problem has caused environmental degradation due to unmanaged mined out areas.

Policy Statement:

Government will enforce proper decommissioning and rehabilitation of mined out areas

3.5 Socio-Economic Issues

3.5.1 Background

Mining is associated with a number of socio-economic issues that need to be taken into consideration. While the ASM operations improve living standards of people, it has the potential to affect lifestyle and the social matrix of communities within and away from the mine sites. Some of the offshoots of such challenges border on: HIV and AIDS and health, child labor, and gender

3.5.2 Gender

The problem affects both men and women in the ASM operations. Women, however tend to experience most challenges with regard to Gender, despite the fact that they play a significant role in the ASM sub-sector.

3.5.2.1 Issues

In the ASM subsector women face more challenges than men. These challenges include; difficulties in accessing financial, technical and legal support, ill socio-economic perceptions about their status; and unfair cultural traditions that impose a heavy family burden and limit their independence and mobility.

Policy Statements:

The policy will encourage equal participation in the ASM sub-sector.

3.5.3 Child Labour Issues

Experience has shown that Artisanal and Small scale miners prefer employing children as they do not have a bargaining power for wages. The presence of children in the mining sites also has negative effects on their health and education.

3.5.3.1 Issues

The reasons for child labour in mining are mainly poverty driven. Most families involved in ASM operations are of low income levels and therefore, they regard or opt for child inclusion for cheap labour. Inclusion of children in mining areas tends to be practiced by the operators because there is lack of awareness about risks of child labour and inadequate enforcement of child labour laws. In many areas where ASM activities take place there are limited educational infrastructures. This challenge engenders lack of motivation for children to attend school.

Policy Statements:

Government will enforce regulations against child labour and abuse;

The policy will facilitate sensitisation and awareness campaigns about child labour issues; and

Government will provide more educational infrastructure in remote areas where ASM activities are taking place.

3.5.4 HIV and Aids

HIV and AIDS remains a key challenge in the area of health within the context of ASM. Artisanal and Small scale miners tend to engage in risky behavior due to the nature of their activities which involve working away from their sexual partners over an extended period of time.

Artisanal and Small scale miners tend to engage in risky behavior due to the nature of their activities which involve working away from their sexual partners over an extended period of time.

In addition, young women and mothers struggling to earn a living, tend to get involved in sex trade and prostitution to support themselves and their families. As a consequence of these social challenges, HIV and AIDS is a growing concern in all small scale mining communities.

Furthermore, low literacy levels have also contributed to the rise in HIV and AIDS cases because relevant and sufficient information is not clearly understood. It is generally noted that their normal traditional values is also a challenge because most of them are not open to HIV and AIDS issues- they treat HIV and AIDS issues as private and confidential matters.

3.5.4.1 Issues

In ASM subsector there is inadequate awareness of HIV and AIDS as well as stigma and discrimination against people living with HIV and AIDS. Policy Statements

The policy will facilitate HIV and AIDS awareness campaigns

Government will facilitate training in HIV and AIDS

CHAPTER FOUR

4.0 Implementation Arrangements

4.1 Institutional Arrangements

Various relevant ministries, key sector agencies and institutions will play a role in the implementation of this policy. These include:

the Ministry of Natural Resources, Energy and Mining, Malawi Investment and Trade Center (MITC), Training Institutions, Ministry of Labor, Environmental Affairs Department (EAD), Ministry of Gender, Financial Institutions and Ministry of Trade.

The Ministry of Natural Resources, Energy and Mining,

The ministry shall retain the main responsibility in the implementation of this policy.

Ministry of Environment and Climate Change

The ministry, through the Environmental Affairs Department, will be responsible for the regulation and enforcement of environmental standards in ASM.

Ministry of Labour

The ministry will be responsible for the regulation of involvement and employment of children in the ASM Sub-sector.

Ministry of Gender and Child Development

The ministry shall work on the barriers that block women participation in ASM and other broader gender issues in the industry.

Ministry of Industry and Trade

The ministry shall facilitate the promotion of industrial development and technology transfer, trading and development of business in ASM.

Malawi Investment and Trade Center (MITC).

As the main vehicle of investment in the country, MITC shall be responsible for issues of promotion of production and marketing of the ASM products; the training institutions shall play a pivotal role in training provision and capacity building in financial and other technical aspects of work under ASM.

Ministry of Finance

Through the Malawi Revenue Authority, the Ministry will have the responsibility to ensure that revenue from the ASM sub-sector is not lost through illegal sales of ASM products and that revenue is properly managed.

Ministry of Justice

The ministry will provide policy guidance and direction on legal and constitutional matters as it is mandated.

Competition and Fair Trading Commission

The commission will ensure that ASMs are protected from acts likely to disadvantage them in fair trade.

Ministry of Education Science and Technology

As the custodian of the country's education system, the Ministry will have the primary responsibility of provision of education facilities and services and for matters on training and capacity building in the ASM subsector.

Department of Nutrition and HIV and AIDS

As the overall guide and provider of direction on HIV and AIDS issues in Malawi the Department will assist with capacity building and awareness raising on issues of HIV and AIDS in the ASM subsector.

4.2 Implementation plan

To achieve the objectives set out in this Policy, an implementation plan has been developed. The set targets and outcomes will relate to the following priority Policy areas; the promotion of mineral development, improvement of the investment climate, environmental management, occupational safety and health and a diverse range of social issues. The implementation plan is in a separate but complementary document called Implementation Monitoring and Evaluation Strategy.

4.3 Monitoring and Evaluation

A comprehensive Monitoring and Evaluation Plan has been developed to ensure that the Policy is being implemented according to the set plan, and effectively to meet the intended goals and objectives.

It is anticipated that the minerals sector will continue to evolve rapidly locally, regionally and internationally. This will necessitate periodic reviews of the Policy to address where necessary, not only has the changes in the minerals sector, including technological advances, but also other policy developments in Malawi. Such reviews shall be undertaken every five years.

ANNEX I

The Implementation, monitoring and evaluation strategy

This strategy has been developed to guide the implementation of the ASM policy. The strategy comprises the implementation plan and monitoring and evaluation plan.

The implementation plan includes Policy priority Areas and Policy statements. For each policy statement, there is an objective to be achieved, strategy to be used, responsible institution and time frame to achieve the objective.

Monitoring and evaluation plan indicate the Policy priority Areas with objectives, outputs, performance indicators, targets, baseline data, sources of verification and assumptions or risks, institution and time frame to achieve the objective.

Monitoring and evaluation plan indicate the Policy priority Areas with objectives, outputs, performance indicators, targets, baseline data, sources of verification and assumptions or risks.

Implementation plan			
Policy priority Area1: Mineral Development in ASM Sub-Sector			
Policy statement 1.1: Government will develop new legislation for ASM subsector which can be easily understood and relevant to the artisanal and small scale miners			
Objective	Strategy	Responsibility	Timeframe
To review the Mines and Minerals Act	Undertake situation analysis Consult stakeholders Draft the Mines and Minerals Bill Lobby for the passing of the draft Bill	Ministry of Natural Resources, Energy and Mining/Ministry of Justice/DoM/Commissioner of Mines. Law Commission	2014-2015

Policy statement 1.2: Government will streamline and simplify licensing procedures for ASM subsector			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To modernize the licensing system 	<ul style="list-style-type: none"> Decentralize the licensing system Computerize the licensing system 	Ministry of Natural Resources, Energy and Mining /DoM	2014-2016
Policy statement 1.3: Government will facilitate the formation and strengthening of ASM cooperatives			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To formalise and register all ASM cooperatives 	<ul style="list-style-type: none"> Collect data on active Artisanal and Small Scale Miners Train the Artisanal and Small Scale Miners in cooperative formation Register Artisanal and Small Scale Miners as cooperatives Strengthen the already existing ASM cooperatives 	Ministry of Natural Resources, Energy and Mining/DoM, Ministry of Industry and Trade	2014 - 2019

Policy statement 1.4: Government will facilitate provision of technical training and other forms of assistance on sustainable development of ASM in order to ensure optimal exploitation of mineral resources			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To facilitate provision of Technical training and other forms of assistance to ASM 	<ul style="list-style-type: none"> Train ASMs in relevant technical skills for prospecting, mining and value addition in the ASM subsector Introduce specialized training programmes for Artisanal and Small Scale miners 	Ministry of Natural Resources, Energy and Mining/DoM, and Ministry of Education	2014-2019

Policy statement 1.5: Government will coordinate and promote demand driven mineral research and dissemination of results to relevant stakeholders			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To coordinate and promote demand driven research 	<ul style="list-style-type: none"> Support adequate research in mineral processing and value addition Promote adequate access to information and technology by artisanal and small scale miners Construct a purpose built Laboratory 	Ministry of Natural Resources, Energy and Mining/ Ministry of Industry and Trade /OVOP	2019

Policy statement 1.6 : Government will facilitate creation of an enabling environment for easy access to information and technology; and plant and equipment for mining and value addition for ASM			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To facilitate access to modern mining and processing equipment by ASM 	<ul style="list-style-type: none"> Link Miners to credit providing Institutions Facilitate provision of duty waivers on Mining capital assets 	Ministry of Natural Resources, Energy and Mining /Ministry of Trade and Industry/Fair Trade and Competition	2014- 2019

Policy statement 1.7: Government will promote provision of training to ASM in downstream processing of minerals			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To increase capacity in value addition in the ASM subsector 	Provide appropriate training in downstream processing of minerals	Ministry of Natural Resources, Energy and Mining, Ministry of Industry and Trade	2014- 2018

Policy statement 1.8: Government will facilitate provision of support infrastructure in the sub-sector			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To facilitate provision of support infrastructure for value addition in the 	<ul style="list-style-type: none"> Lobby with relevant stakeholders on provision of support infrastructure 	Ministry of Natural Resources, Energy and Mining/DoM and Ministry of Energy	2014-2016

ASM subsector			
Policy statement 1.9: Government will facilitate establishment of mineral marketing centres			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To establish a facilitating institution on mineral marketing 	<ul style="list-style-type: none"> Develop a facilitating institution on mineral marketing Develop marketing centres located strategically in the major mining areas 	Ministry of Natural Resources, Energy and Mining and Ministry of Trade	2014-2017
Policy statement 1.10: The policy will promote the growth of both competitive local and export mineral markets for ASM products			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To promote competitive marketing of ASM products 	<ul style="list-style-type: none"> Introduce proper mineral marketing centres Introduce local mineral pricing systems 	Ministry of Natural Resources, Energy and Mining/Ministry of Trade and Industry/Malawi Competition and Fair Trading Commission	2014- 2017

Policy statement 1.11: Government will promote and facilitate participation of artisanal and small scale miners in exhibitions, trade fairs and through foreign missions			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To expose the Artisanal and Small scale miners to world standard mineral processing, markets and marketing techniques 	<ul style="list-style-type: none"> Organise mineral exhibitions and mineral trade fairs Facilitate participation of ASM international mineral exhibitions and trade fairs 	Ministry of Natural Resources, Energy and Mining/Department of Mines/ Ministry of Trade and Industry	2015- 2019
Policy statement 1.12: Government will put in place mechanisms to monitor the whole marketing chain for mineral sales			
Objective	Strategy	Responsibility	Timeframe
To minimise losses in revenue from ASM mineral sales	<ul style="list-style-type: none"> Put in place proper marketing places for minerals Police illegal mineral trade Train other stakeholders involved in 	Ministry of Natural Resources, Energy and Mining/Ministry of Trade and Industry/Ministry of Finance/Malawi Revenue Authority, Malawi Police Service, Malawi Investment and	2014-2019

	mineral trade e.g. MRA	Trade Centre	
Curb illegal trading	<ul style="list-style-type: none"> Put in place proper marketing places for minerals Police illegal mineral trade Train other stakeholders involved in mineral trade e.g. MRA 	Ministry of Natural Resources, Energy and Mining/Ministry of Trade and Industry/Ministry of Finance/Malawi Revenue Authority, Malawi Police Service	2014 - 2019
Policy statement 1.13: Government will facilitate the creation of an enabling environment that will support and encourage co-existence of both ASM and large scale mining operations			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To minimize conflict between ASM and Large scale Mining operations 	<ul style="list-style-type: none"> Properly defining mineral rights and obligations of either parties Establishment of proper engagement mechanisms 	Ministry of Natural Resources, Energy and Mining/Department of Mines and GSD	2014-2019

	<ul style="list-style-type: none"> Facilitating the development of technical assistance programs Establishment of good conflict resolution mechanisms 		
Policy priority Area 2: Investment climate in ASM subsector			
Policy statement 2.1: Government will review royalty rates and develop appropriate fiscal and taxation regime for ASM subsector			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To develop appropriate fiscal and taxation regime 	<ul style="list-style-type: none"> Review fiscal and tax regime for ASM subsector 	Ministry of Natural Resources, Energy and Mining/Ministry of Finance/ Malawi Revenue Authority/Department of Mines	2014- 2019

Policy statement 2.2: the policy will promote and facilitate access to finance by linking ASMs to financial institutions and organizing them into cooperatives			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To enable ASM have access to finance 	<ul style="list-style-type: none"> Link ASM to financial institutions who provide credit loans 	Ministry of Natural Resources, Energy and Mining/Financial institutions, Ministry of Finance, RBM and Ministry of Trade	2014-2019
<ul style="list-style-type: none"> To ensure that ASM have necessary entrepreneurial skill 	<ul style="list-style-type: none"> Facilitate trainings on entrepreneurship 	Ministry of Natural Resources, Energy and Mining/Financial institutions/ Malawi Entrepreneurial Development Institute MEDI	2014-2019
Policy statement 2.3: Government will endeavor to lobby with lending institutions to have lower interest rates for the ASM sub-sector			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure the availability of finances for buying equipment and other inputs 	<ul style="list-style-type: none"> Facilitate in mobilizing funds which can be available to ASM 	Ministry of Natural Resources, Energy and Mining, Ministry of Finance and financial institutions	2014-2019

Policy Priority Area 3: Environmental Management, Occupational Safety and Health			
Policy statement 3.1: The policy will support the provision of training in environmental management			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure there is knowledge and application of the appropriate environmental standards in the sub-sector 	<ul style="list-style-type: none"> Provide and support the appropriate training in mining and environmental management 	Ministry of Natural Resources, Energy and Mining/EAD/Department of Mines	2014- 2016
Policy statement 3.2: Government will facilitate monitoring and enforcement of compliance of mining environmental standards in ASM			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure ASM comply with environmental standards and environmental damage is avoided 	<ul style="list-style-type: none"> Provide adequate environmental monitoring and enforcement of regulations 	Ministry of Natural Resources, Energy and Mining/EAD/Department of Mines	2014- 2016
Policy statement 3.3: Government will facilitate provision of training in Occupational Safety and Health (OSH) standards to both inspectors and artisanal and small scale miners			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure ASM and government officers are well aware of 	<ul style="list-style-type: none"> Provide adequate training in OSH standards 	Ministry of Natural Resources, Energy and Mining/Department of Mines, Ministry of	2014- 2016

occupational safety and health standards applicable in the sector		Labour and EAD	
Policy statement 3.4: Government will set up mechanisms for routine monitoring and inspection of ASM operations			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure ASM comply with mine operation standards and best practices 	<ul style="list-style-type: none"> Building capacity for inspection, monitoring and enforcement of OSH issues 	Ministry of Natural Resources, Energy and Mining/Department of Mines, Ministry of Labour, EAD	2014-2016
Policy statement 3.5: Government will enforce proper decommissioning and rehabilitation of mined out areas			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To reduce environmental damage after mine decommission 	<ul style="list-style-type: none"> Formulate proper legislation governing the aftermath of mining Formulate guidelines in proper management of mined out 	Ministry of Natural Resources, Energy and Mining/EAD	2016-2015

Policy Priority Area 4: Social Issues			
Policy statement 4.1: The policy will encourage equal participation in the ASM subsector			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To promote equal participation in ASM activities by both men and women 	<ul style="list-style-type: none"> Encourage programmes which support women participation in ASM activities Provide support to women who participate in ASM subsector 	Ministry of Natural Resources, Energy and Mining/Ministry of Gender and Child development/Ministry of Labour	2014-2019
Policy statement 4.2: Government will enforce regulations against child labour and abuse			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To eliminate child labour in the ASM subsector 	<ul style="list-style-type: none"> Enforce child labour laws Encourage school attendance by children in ASM communities 	Ministry of Natural Resources, Energy and Mining/Ministry of Labour/Ministry of Education, Ministry of Justice	2014-2019

Policy statement 4.3: The policy will facilitate sensitisation and awareness campaigns about child labour issues			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To ensure ASM communities are aware about child labour issues 	<ul style="list-style-type: none"> Sensitise ASM communities dangers of child labour in mining Outreach programmes to ASM communities 	Ministry of Labour, MCTU, ECAM, Ministry of Mining	2014-2019
Policy statement 4.4: Government will provide more educational infrastructure in remote areas where ASM activities are taking place			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To encourage child attendance in school in ASM communities 	<ul style="list-style-type: none"> Provide good infrastructure and adequate learning materials to schools surrounding Artisanal and small scale mines 	Ministry of Natural Resources, Energy and Mining/Ministry of Education Science and Technology	2014- 2019

Policy statement 4.5: The policy will facilitate HIV and AIDS awareness campaigns			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To reduce the spread of HIV/AIDS in ASM communities 	<ul style="list-style-type: none"> Facilitate information dissemination regarding the epidemic Support awareness campaigns about the epidemic 	Ministry of Natural Resources, Energy and Mining/Department of Nutrition and HIV and AIDS, NAC	2014- 2016
Policy statement 4.6: Government will facilitate training in HIV and AIDS			
Objective	Strategy	Responsibility	Timeframe
<ul style="list-style-type: none"> To equip people around ASM communities with relevant knowledge about the epidemic 	<ul style="list-style-type: none"> Facilitate training in HIV and AIDS 	Department of Nutrition and HIV and AIDS	2014-2015

ANNEX II

MONITORING AND EVALUATION FRAMEWORK

Objective	Output	performance Indicator	Target (2019)	Baseline (2012)	Source of Verification	Risks and Assumptions
To streamline and simplify licensing procedures for artisanal miners and mineral dealers	Increased number of licenses	Number of license issued	370	121	Reports on licenses issued	Logistics
	Public awareness campaign conducted	Number of public awareness campaign	10	0	Reports on awareness campaigns conducted	Availability of resources
To restructure and enhance all line functions of the Ministry of Natural Resources, Energy and Mining	Human resources recruited	Number of officers recruited	15	3	Recruitment reports	Availability of resources
	Human resources trained	Number of officers trained	15	0	Training Reports	Availability of human resources and funds
	Equipment and vehicles procured	Number of equipment and vehicles procured	All equipment for ASM & 3 vehicles	0	Procurement reports	Availability of funds

			procured			
To facilitate the formation and operation of cooperatives and associations in order to reduce poverty	Target groups identified	Number of needs assessment reports	1	0	Needs assessment reports	Availability of funds
	Cooperatives registered	Number of Cooperatives registered	84	0	Reports on formation and registration of cooperatives	Logistics
	Cooperatives trained	Number of Cooperatives trained	84	0	Reports on cooperative training conducted	Availability of resources
To foster the needed economic diversification.	Identified alternative economic activities	Number of alternative economic activities identified	1	0	Reports on alternative economic activities identified	Availability of resources
	Trainers trained	Number of trainers trained	84	0	Training reports	Availability of funds and human resources

						to be trained
	Technical extension services provided	Number of technical extension services report	20	4	Technical extension services reports	Availability of resources
To coordinate needs driven research and dissemination of results to relevant stakeholders	Research conducted	Number of research report produced	10	4	Research reports	Availability of funds
To facilitate promotion of investment in downstream value addition of minerals	Technical extension services provided	Number technical extension services report	20	4	Technical extension services reports	Availability of resources
	Training of trainers conducted	Number of trainers trained	84	0	Training reports	Availability of funds
To promote the growth of both	Capacity building programme	Number of officers trained in	5	0	Training reports	Availability of funds and

competitive local and export mineral markets for ASM products	s for research and development set up	specialised areas of research				human resources
	Local marketing committee system in place	System established and operational	1	0	Local marketing committee system operationalisation reports	Availability of resources
	Website for mineral in place	Website established and operational	1	0	Website establishment Reports	Availability of resources
	Market identified through foreign missions	Number of market identified through foreign missions	5	0	Market identification Reports	Policy direction
	ASM participate in trade fairs and exhibitions	Number of ASM and trade fairs/exhibition participated	5	0	Trade fair participation reports	Policy direction and availability of resources
To facilitate the creation of enabling	Mineral exhibition facilitated	Number mineral exhibition	5	2	Mineral exhibition reports	Availability of resources

environment that will encourage the co-existence of ASM and large scale mining operation	and conducted	conducted				
	Study tours conducted	Number of study tours conducted	2	0	Study tour reports	Availability of resources
	Website for minerals in place	Number of websites	1	0	Website establishment reports	Availability of resources
Government shall promote research and development of the ASM equipment	Research on locally fabricated equipment conducted	Research reports	1	0	Research reports	Availability of resources

Develop new legislation for ASM subsector	Reviewed Mines and Minerals Act	Number of Acts reviewed	1	1	Act review report	Availability of resources
To facilitate provision of technical assistance to ensure optimal exploitation of resources	Training Provided to ASM	Number of ASM provided with training	84	0	Training report	Availability of training personnel
	Pegging of mining claim areas	Number of claim areas pegged	100	0	Mining claim pegging reports	Availability of resources
	Evaluation of ASM	Number of mineral	100	0	Mineral analysis	Availability of

	samples	samples analysed			reports	resources
To facilitate creation of an enabling environment for easy access to plant and equipment for mining and value addition of ASM	Modern mining and processing equipment accessible to ASM	Number of ASM with access to processing and mining equipment	84	0	Report on ASM access to processing and mining equipment	Availability of resources

To establish a facilitating institution on mineral marketing	A mineral marketing institution established	Number of mineral marketing institutions established	1	0	Report on mineral marketing institutions established	Availability of resources and policy direction
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To promote and facilitate participation of artisanal and small scale miners in exhibitions, trade fairs and through	Trade fairs conducted	Number of trade fairs conducted	5	0	Reports on trade fairs conducted	Availability of resources
	Exhibitions conducted	Number of exhibitions conducted	5	0	Reports on exhibitions conducted	Availability of resources

foreign missions						
To put in place mechanisms to monitor the whole marketing chain for mineral sells	Guidelines for mineral marketing developed	Number of guideline documents developed	1	0	Reports on guideline documents developed	Policy direction
	Officers trained in mineral marketing	Number of Officers trained	20	0	Training reports	Availability of resources

Objective	Output	performance Indicator	Target	Baseline	Source of Verification	Assumptions
To provide access to finances	Financial support accessible to ASM	Number of ASM accessing financial support	84	0	Reports on ASM accessing financial support	Policy direction
To review royalty rates and develop appropriate fiscal and taxation regime for ASM subsector	Reviewed fiscal and tax regime	Regulations reviewed	1	1	Regulations review report	Policy direction and availability of resources
Lobby with	Special	Reviewed	1	0	Report on	Policy

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financial institutions to lower interest rates for the ASM	rates for ASM established	interest rates for ASM			review of interest rates	direction
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Objective	Output	performance Indicator	Target	Baseline	Source of Verification	Assumptions
To ensure sustainable exploitation of mineral resources	Environmental Management Plan (EMP) reports reviewed	Number of EMP reports reviewed	10	0	EMP review reports	Availability of resources
	Technical extension services provided	Number of extension services	20	0	Extension services reports	Availability of resources
	Co-management of health, safety and environmental standards enhanced	Number of safety, health and environmental inspection reports	20	0	OSHE inspection reports	Availability of resources

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To support the provision of training in environmental management	ASM trained in environmental management	Number of ASM trained in environmental management	84	0	Training reports	Availability of resources
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Objective	Output	performance Indicator	Target	Baseline	Source of Verification	Assumptions
To remove barriers faced by Vulnerable groups	awareness campaigns	number of campaigns conducted	20	0	Awareness campaign reports	Availability of resources
	Vulnerable target groups trained	number of association of vulnerable groups trained	84	0	Training reports	Availability of resources
To prevent and withdraw children from all ASM activities	awareness campaigns conducted	number of campaigns conducted	20	0	Awareness campaign reports	Availability of resources
	Education infrastructure	Number of good education	84	0	Infrastructure development	Policy direction and

	provided	infrastructure built in ASM communities			ment reports	availability of resources
To increase awareness on risks and dangers of HIV and AIDS in ASM communities	Awareness campaigns conducted	Number of campaigns conducted	84	0	Awareness campaign reports	Availability of resources
	Trainings facilitated	Number of trainings on HIV and AIDS facilitated in ASM areas	84	0	HIV and AIDS Training reports	Availability of resources

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